September 3, 2004

Dear Friend,

As we approach Labor Day, I wanted to take an opportunity to update you on an important issue to thousands of working families in New Mexico. As you may know, last month the Bush administration released new regulations governing who is eligible to receive overtime pay. These new regulations redefine who is considered a professional, administrative, or executive employee based on salary and job duties, and thereby, exempted from overtime pay. According to a recent analysis by the Economic Policy Institute, at least 6 million American workers will lose their overtime pay as a result of these new regulations.

For those workers fortunate to have kept their jobs during the largest job-loss since the Depression (nearly 1.8 million jobs have been lost since January 2001), these new rules will now strip them of their hard-earned overtime pay when they work more than 40 hours per week. Of those families that relied on overtime pay in 2000, overtime earnings amounted to 25 percent of their total income. Also, the number of workers adversely affected by the new Bush rules on overtime is 16 times greater than the few who will benefit by having the income threshold changed.

Another sad fact is that over 75,000 Americans sent their comments to the Department of Labor regarding these unfair rules, and their opinions were ignored. Also, both the House of Representatives and Senate passed separate measures to stop these rules from taking effect, but through back-room maneuvers, they also were ignored.

This new policy represents the biggest pay cut America's middle class has ever suffered. At a time when Americans are suffering from the president's failed economic policies, it is unthinkable that the White House is implementing these regulations that will make the situation worse. For more information on the new overtime rules, please click <u>here</u>.

Thank you for taking the time to read this newsletter.

Very truly yours,

Tom Udall